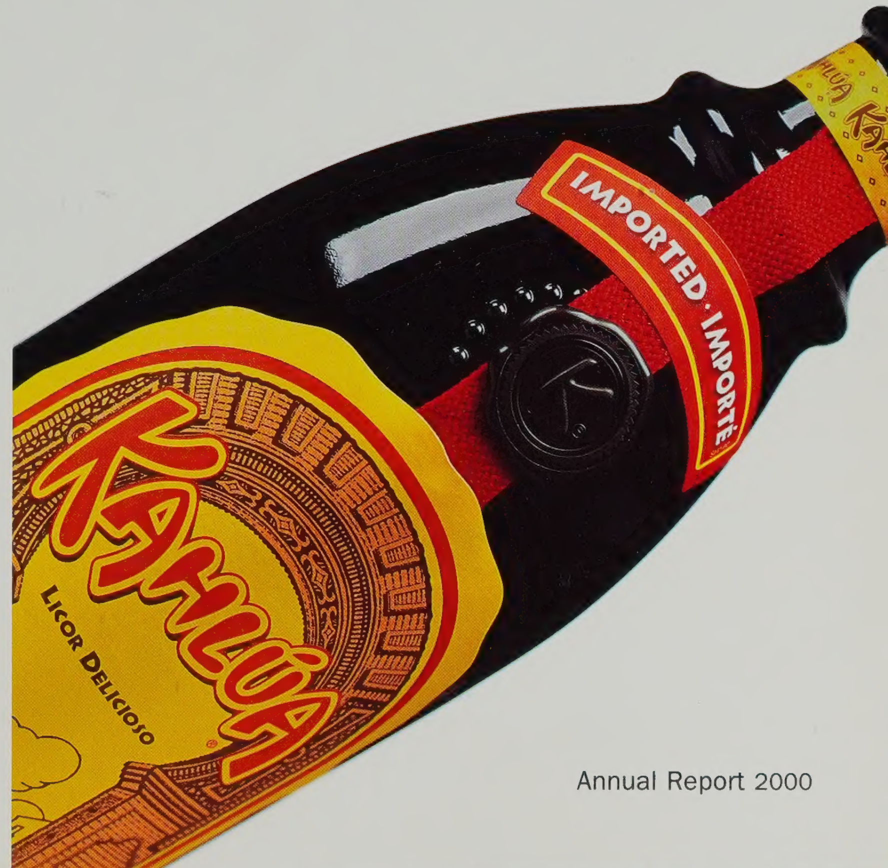
CORBY



Annual Report 2000

spiritmaker

Whiskies

Ballantine's Finest | Canadian Club | Canadian Club Classic | The Glendronach | Gooderham & Worts Ltd. | Hiram Walker Special Old

Laphroaig | Lot No. 40 | Maker's Mark | McGuinness Silk Tassel | Pike Creek | Royal Reserve

Scapa | Teacher's Highland Cream | Tullamore Dew | Wiser's De Luxe | Wiser's Special Blend | Wiser's Very Old

Cognacs/Brandies/Ready-to-Drink

Barclay's | Carolans Irish Cream | Courvoisier | D'Eaubonne V.S.O.P. Napoleon | De Kuyper Peachtree Schnapps

Drambuie | Frangelico | Hennessy | Hiram Walker Peppermint Schnapps | Irish Mist | Kahlúa

Kèkè Beach | McGuinness Black Russian | McGuinness Blue Curaçao | McGuinness Long Island Iced Tea | Meaghers Crème de Menthe

Opal Nera | Raynal Napoleon V.S.O.P. | Shocktales Broken Down Golf Cart | Stock 84 | Tequila Rose | Tia Maria

White Spirits

Beefeater | De Kuyper Geneva | Lamb's Navy | Lamb's Palm Breeze | Lamb's White

McGuinness Red Tassel | Polar Ice | Sauza Hornitos Tequila | Sauza Tequila Blanco | Sauza Tequila Extra Gold

Vintages

Albert Bichot Chablis | Albert Bichot Pinot Noir | Aliança Vinho Verde | Balbi Chenin Blanc | Balbi Malbec Syrah | The Bend in the River

Calvet Cabernet Sauvignon | Calvet Reserve Bordeaux Red | Calvet Reserve Bordeaux White | Clos du Bois Merlot | Clos du Bois Sauvignon Blanc | Coastal Cabernet Sauvignon | Coastal Chardonnay

Cockburn's Anno | Cockburn's Special Reserve | Dom Pérignon | Folonari Soave | Folonari Valpolicella | Freixenet

Giacondi Red | Giacondi White | Harveys Bristol Cream | Harveys Isis | L'Epayrié Red | L'Epayrié White | Moët & Chandon

Ruffino Chianti Classico | Ruffino Fonte al Sole | Stock Extra Dry Vermouth | Stock Italian Vermouth | Tarapaca Cabernet Sauvignon | Tarapaca Sauvignon Blanc

Corby, the Spirit Maker, is Canada's leading manufacturer and marketer of spirits, as well as the country's leading importer of wines. Corby's national leadership is sustained by our Portfolio of Excellence, the owned and represented brands that have built equity in the marketplace and deliver value for customers and shareholders.

Corby has been building brand value since 1859, and enters a new century with the broadest portfolio of spirits and wines in Canada, and market-leading share in both categories.

financial highlights

For the years ended August 31 (in thousands of dollars, except per share amounts)		2000		1999
Results				
Gross operating revenue	$	93,388	$	101,055
Earnings from operations		29,132		30,079
Earnings before income taxes		31,859		35,109
Net earnings		20,422		22,756
Cash flows from operating activities		24,081		17,154
Financial position at balance sheet date				
Working capital	$	62,209	$	64,043
Total assets		96,073		107,378
Long-term debt		31,000		39,000
Shareholders' equity		57,315		53,067
Per common share				
Net earnings	$	2.91	$	3.25
Dividends declared and paid		2.00		2.00
Shareholders' equity		8.16		7.58
Financial ratios				
Working capital		11.6		5.3
Debt/equity		0.5		0.7
Return on average shareholders' equity	%	37.0	%	46.5
Pre-tax return on average capital employed	%	34.9	%	38.6

Whiskies

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The great majority of Corby's brands are now distilled, blended and bottled by Hiram Walker & Sons Ltd. In September, Corby announced that this production relationship will continue as part of a renewed agreement with Allied Domecq that also includes sole marketing and sales rights for Corby with respect to Allied Domecq brands in Canada. Corby also maintains a plant in Montreal primarily for the production of our extensive liqueur portfolio.

In moving ahead we have developed a clear Statement of Intent (SOI). The Corby SOI underlines that our future growth demands our clear focus as a dynamic, marketing-led brands business. We will build powerful, exciting brands that drive profitable growth and strong, consistent cash flows both in Canada and internationally. Our SOI also identifies Corby's key assets as our brands, our people and our logistics infrastructure. These will be managed to deliver enhanced value for shareholders.

In the Business of Brands

Never before has such competition existed in our industry. But never before have we had the kind of business tools that are now available to us to make intelligent, fact-based decisions about investments in brand development, marketing and sales.

Our business decisions are no longer guided solely by an intuitive "feel" for the market. Instinct must be backed by solid research and analysis, using the most advanced marketing tools and sales techniques. Our ability to surround the consumer with products, promotional resources and sales efforts that are finely tuned to specific regions, age groups and fashion trends is unprecedented. And that means our investments in the development and marketing of our brands can have an impact beyond anything possible in the past.

The aggressive television advertising campaign that we launched last year for our premium Canadian Club brand is a good example of how we invest effectively in our brands. Finely tuned for a specific target market, this campaign is building impressive new momentum into one of our premier assets, the Canadian Club brand. It is helping to attract twenty-something consumers to this great icon brand. Television marketing will be increased in the new year for Canadian Club as well as for Kahlúa. A high profile sponsorship linking the Wiser's family of Canadian whiskies to the national passion for the sport of curling has also been launched.

Similarly, our positioning of the increasingly successful Polar Ice vodka comes from carefully analyzing the competitive marketplace and consumer trends to create a dynamic marketing and sales strategy to leverage brand potential into shareholder value. We seeded brand recognition among consumer trend influencers in the critically important 20- to 35-year-old age group and developed promotional tools to surround the consumer with the product. Then the distribution clout of Corby in the Canadian market was brought into play. This is always one of the most effective resources we can put behind a priority brand, especially when our distribution capacity is focused through the kind of fact-based decision-making that now characterizes our sales and marketing investments. Sales of Polar Ice have doubled since 1998, growing at an annual rate of 40% over the last 12 months.

Innovation

Innovation in a marketing-led brands business like Corby's extends beyond promotions, packaging and new market development. New product categories like ready-to-drink cocktails, where Corby has established itself as the market leader, are a natural fit for us.

Corby decided to develop a distinctive brand for this growth market and to get behind it with a marketing and sales investment that has made the Shocktales products No. 3 in the ready-to-drink category. In fact, our "surround the consumer" sales and marketing campaign for Shocktales (with sales already above 25,000 cases) shows that we can actually grow an entire category, not just enhance our share within it.

And our commitment to this new market segment means that the innovative approach that characterized our entry into it will continue.

In many ways, our biggest innovation at Corby is our rapidly growing ability to track the impact of any sales and marketing investment that we make via our marketing mix analysis. Our ability to make our dollars go further in the markets we are targeting is greatly enhanced.

Innovative analytical tools are of critical importance over the next several years as we concentrate on brand promotion, integrate sales and marketing more completely and take on the challenge of building relationships with a new generation of consumer that will increasingly shape the industry in which we work. Over the next several years the so-called "echo generation" will become the second largest consumer group after the baby boomers. They will be making personal brand choices, brand choices that market research tells us are often made for life. That's the market reality behind our focus on using innovation to create a close relationship with that demographic slice of the population.

Exporting Brand Equity

Corby's business remains predominantly Canadian, but we are actively going global. Niche export markets in more than a dozen countries in Europe and Asia are developing for strong Corby brands like Polar Ice vodka, the Canadian Whisky Guild and Wiser's.

The greatest promise, however, is in the U.S. market. Corby's prospects in America received an impressive boost in 2000 with the establishment of a strategic alliance with McCormick Distilling Co., Inc. McCormick ranks eighth in spirits sales and is the third largest privately held spirits company in the U.S.

The American market is enormous – the vodka segment alone represents 36 million cases, about two and a half times the size of the entire Canadian spirits market. McCormick provides us with a formidable gateway into this enormous market for premium vodkas. They are as excited as we are about the potential for Polar Ice. McCormick has already established distribution for the Canadian Whisky Guild in 10 states since the launch of the brand in June of this year.

The McCormick alliance has a dual impact for Corby. As part of the agreement, we have become the exclusive Canadian distributors for McCormick's trend-setting brand Tequila Rose, now the number two imported cream liqueur in the United States.

Getting Behind Our Wine Brands

Corby sells more than 14 million bottles of wine on an annual basis. With 5% of the Canadian wine sales, we are a market leader and the only leading national distilled spirits company that has built an international wine portfolio. Our experience clearly shows that a strong wine portfolio stimulates spirits sales.

Here again, our focus is on powerful brands. With names like Dom Pérignon, Bichot, Freixenet, Ruffino, Calvet, Folonari and Moët & Chandon in our portfolio, we're well positioned to apply the same philosophy of brand management for growth and shareholder value that serves our spirits business so well.

We were also pleased to add the labels of Ontario-based Stoney Ridge Cellars to our portfolio in 2000. One of Canada's premier wineries, they enhance our already rich offering of wines with a strong Canadian brand whose impressive market potential will be realized through Corby's unparalleled sales and distribution support.

A Focused Team

As Corby moves confidently forward, our people continue to demonstrate that business excellence is a direct reflection of the skill, the dedication and the innovative energy of the people who do the work. The people who do the work at Corby have my most profound respect and deep thanks.

We live in a time and we work in an industry where rapid and comprehensive change is our daily reality. But at Corby, we anticipate change and aggressively shape the markets within which we compete.

Consistent with our drive for business excellence, we are developing new systems of compensation that will reward performance based on an individual's contribution to our central corporate goal of dramatically strengthening our company operations.

Once again, the Board of Directors has been a source of dynamic leadership and unflagging support this past year. They have my deepest gratitude. I especially want to thank Micheline Bouchard, who is retiring after a decade of service, for her commitment and her insight into the world of Canadian business.

Corby, the Spirit Maker, is proud of its century-and-a-half heritage of product excellence. And we are filled with confidence that the powerful brands in the Corby Portfolio of Excellence can be managed for ongoing growth and increased shareholder value in the new millennium.

K Hoeg

Krystyna T. Hoeg CA
President and Chief Executive Officer

spiritmaker

Corby builds value in its Portfolio of Excellence by investing in sales and marketing excellence, in industry-leading product innovation and in exceptional customer service. We manage brands for profitability and growth in markets that demand an exciting mix of cutting-edge style with traditional taste and quality.

Social-Ice

White Spirits: Corby's Polar Ice vodka is the fastest-growing vodka in Canada with sales of nearly 120,000 cases, up 40% over the last 12 months. Its appeal to contemporary premium vodka drinkers is powerful, making us the sixth largest vodka in Canada. The Lamb's family – Palm Breeze, White and Navy – remains the third largest-selling rum in the industry, while Beefeater and De Kuyper Geneva keep our share of the gin segment at 31%.

King of Clubs

Whiskies: Corby's premium brand Canadian Club is up 6%, extending its appeal to a broader and younger audience. Corby owns a dominant 42% share of Canadian whisky sales. With Canadian Club, Corby Royal Reserve, Wiser's De Luxe and Walker's Special Old, Corby has 4 of the top 10 selling spirits brands in Canada, while the Whisky Guild – a trio of superb premium whiskies – continues to draw international recognition and acclaim. Corby also claims 14% of the Scotch whisky segment.

Mix-ability

Liqueurs and Eaux de Vie: Corby has a market-leading 32% share of liqueurs and a strong 24% share of brandy and cognac. Kahlúa continues to penetrate younger markets with its "anything goes" mixability message and its innovative formats like the popular Kahlúa ready-to-drink products. And Shocktales has already surpassed sales of 25,000 cases, standing third in the ready-to-drink category. Powerful established brands including Tia Maria, Drambuie, Courvoisier, McGuinness, Carolans and the exciting new Tequila Rose bring international range and marketing depth to the Corby portfolio.

Vintage White

Vintages: Corby is Canada's leading importer of fine wines with 1.2 million cases shipped in fiscal 2000. Dom Pérignon, Moët & Chandon and Freixenet are leaders in the champagne and sparkling wine categories, while icon brands like Calvet, Ruffino and Callaway give us formidable strength in table wines. To our market leadership in New World wines, we have added impressive Canadian content with the award-winning labels of Stoney Ridge Cellars.

management's discussion and analysis

financial review table of contents

"Over the past year Corby has continued to show leadership in the management of the supply chain, ensuring in collaboration with liquor boards that inventories are at their most efficient levels."
John Nicodemo
CFO, Vice President, Finance & Commercial Services

"While intensifying our support for our market-leading brands, Corby is planning for tomorrow by continually seeking new growth opportunities or alliances within a changing and consolidating global landscape of adult beverages."
Chris Chan
Vice President, Strategic Planning

Overview

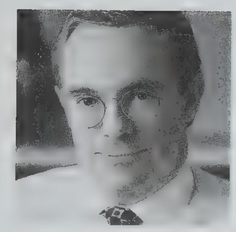
In the past year, the Corporation developed a clear Statement of Intent (SOI). The Corby SOI underlines that our future growth demands our clear focus as a dynamic, marketing-led brands business. We will build powerful, exciting brands that drive profitable growth and strong, consistent cash flows both in Canada and internationally. Our SOI also identifies Corby's key assets as our brands, our people and our logistics infrastructure. These will be managed to deliver enhanced value for shareholders.

Important Events

In order to proactively streamline and improve efficiencies within the product-to-customer supply chain network, the Corporation made a decision to reduce inventory levels at the liquor boards in fiscal 2000. This action was reflected in our year's performance numbers, which showed a 7% reduction in shipment volumes and a corresponding 7% reduction in operating revenue against the prior year. The underlying performance of the brands at the consumer level, however, remained strong. Consumer purchases of Corby's spirits and wine brands were up 3% on a volume basis for the fiscal year compared to last year.

In fiscal 1999, the Corporation announced a restructuring of its sales force in the key markets of Ontario, British Columbia and Québec, and the decision to dispose of its former production site in Corbyville, Ontario. In fiscal 2000, the Corporation further realigned its sales force and executive team and completed the disposal of the Corbyville site for which it received net proceeds of $0.9 million. The expenses charged to earnings as a result of these actions were $1.4 million in fiscal 2000 and $5.2 million in fiscal 1999.

The Corporation successfully renegotiated its agency, bottling and administrative services agreement with Hiram Walker & Sons Limited, a subsidiary of Allied Domecq PLC. Under the terms of the agreements, Hiram Walker & Sons Limited will continue to bottle virtually all of



"Through its distribution and sales agreement with McCormick in the United States and the network Corby has set up in Europe and Asia Pacific, Corby has made enormous headway in developing export markets for its premium brand products like Wiser's, Polar Ice and Whisky Guild. The foundation is in place for continued growth in 2001."
David Stainton
Legal Counsel

"We have flattened our organization, delegating responsibility to those most directly involved and holding individuals accountable. We aim to attract and retain the key talent with the profiles to transform the business, aggressively grow our brands and compete in the new market environment."
Brenda M. Brown
Vice President, Human Resources & Corporate Secretary

"We are confident that we can build a world-wide market for our premium proprietary brands. The response to the Whisky Guild in the United States, where we have sold 1,000 cases in four months, and Europe has been most encouraging. This trio of handcrafted whiskies has won prestigious awards in both England and Germany and are welcoming a new generation to the whisky category."
Howard Kirke
Vice President, International Markets

the Corporation's brands and will continue to provide to the Corporation certain administrative services. Previous agreements, set to expire in 1999, were extended to September 30, 2000, at an incremental annualized cost of $1.35 million. The final renegotiated agreements provide for an additional term of one year to September 30, 2001, at an incremental annualized cost of approximately $0.3 million (resulting primarily from an elimination of a freight subsidy).

Financial Results

Net earnings amounted to $20.4 million or $2.91 per share for fiscal 2000 compared with $22.8 million or $3.25 per share for the corresponding period last year. Fiscal 2000 and 1999 results include pre-tax charges to earnings of $1.4 million and $5.2 million respectively stemming from the restructuring activities outlined above. Excluding the effects of restructuring activities and the impact of the disposal of the former Corbyville production site, earnings from operations were down $4.8 million from $35.3 million in fiscal 1999 to $30.5 million in fiscal 2000. The $4.8 million reduction in earnings were primarily a result of the Corporation's decision to reduce inventory levels at the liquor boards as outlined above.

The Corporation's consolidated gross profit margins grew to 59.5% from 58.4% as a result of tactical price increases in certain key markets across Canada. Marketing, sales and administration expenses in fiscal 2000 amounted to $30.2 million compared with $29.5 million for fiscal 1999, an increase of over 2%. Included in fiscal 2000 expenses were $1.3 million in additional costs resulting from the one-year extension to the agency, bottling and administrative agreements with Allied Domecq PLC. Offsetting this increase were about $0.7 million in overhead cost reductions stemming primarily from the corporate restructuring activities. Advertising and promotion expenditure increased by $0.2 million as the Corporation continued to invest behind its core brands in the form of direct brand marketing and new product development.

Equity earnings in the Tia Maria Group were down $2.0 million for the fiscal year compared to last year. Overall, volumes were up 2% over last year but revenues were down over 5% after the impact of currency exchange on European denominated sales of Tia Maria. Excluding the effects of currency exchange, Tia Maria revenues were up 2% over the same period last year. Advertising and promotion investment was also up 9% for the year, as the Tia Maria Group continues to invest heavily behind the brand.

The income tax provision for fiscal 2000 amounted to $11.4 million compared with $12.4 million for fiscal 1999. The tax provisions reflect effective tax rates of 35.9% and 35.2% for fiscal 2000 and 1999, respectively.

Cash Flow Analysis

The Corporation's operating activities contributed $24.1 million to cash for fiscal 2000 compared with $17.2 million for fiscal 1999. Improvements in working capital efficiencies, primarily in collections of accounts receivable, led to this increase in cash contribution.

Net cash flows used in investment activities were $0.2 million in fiscal 2000, down from $1.5 million in fiscal 1999, as a result of $0.9 million in cash inflows generated from the sale of the former Corbyville production site.

Cash flows used in financing activities of $21.5 million were primarily for the payment of regular dividends of $2.00 per share or $14.0 million. Long-term debt was reduced by $8.0 million during the fiscal year versus $4.0 million in fiscal 1999.

"Our Montréal plant fills an important niche in the marketplace, providing bottling and storage for both Corby and representational brands. In the coming months we expect to further strengthen our position by gaining ISO 9002 accreditation."
Yves de Repentigny
Plant Manager

"We have made significant changes in our sales approach to the market, with greater coverage against our base customers. Coupled with a new emphasis on skill development, this will enable us to gain market share and improve profit margins."
Andy Alexander
Vice President, Sales

"Our marketing efforts are focused on building brand value and driving profitable growth. We have implemented more advanced planning techniques to increase the effectiveness of our programming and identify the greatest market opportunities for our brands."
Mike Minchin
Vice President, Marketing

Balance Sheet

Working capital of $62.2 million as at August 31, 2000, compares with $64.0 million as at August 31, 1999. Working capital movements occurred within accounts receivable (a reduction of over $10.0 million due to collection improvements and normalized shipping and billing patterns) and accounts payable (a reduction of $5.0 million due primarily to reduced corporate restructuring provisions at the year-end). As a result, the Corporation's working capital ratio as at August 31, 2000, stood at 11.6 compared with 5.3 as at August 31, 1999.

Pre-tax return on average capital employed amounted to 34.9% for fiscal 2000 compared with 38.6% for fiscal 1999.

Shareholders' equity as at August 31, 2000, amounted to $57.3 million compared with $53.1 million as at August 31, 1999. At the beginning of fiscal 2000, a cumulative effect of a change in accounting for income taxes of $1.2 million was recorded against retained earnings. The Corporation's return on average shareholders' equity amounted to 37.0% compared with 46.5% a year earlier.

The Corporation returned a dividend on ordinary shares of $2.00 for fiscal 2000, or 50 cents per quarter, unchanged from the previous fiscal year.

Outlook

In fiscal 2001, we will see a return to normal product shipment patterns and, where possible, we will seek further tactical price increases for appropriate brands in key markets. Consequently, we expect this to lead to double-digit top line revenue growth over fiscal 2000 results.

We will be increasing our advertising and promotion expenditure on our key core brands in Canada in line with our SOI strategy supporting powerful and profitable brands. It is our objective to fuel above average industry growth on our key core brands through more concentrated and effective advertising and promotion spending.

We will be looking for continued expansion of our export business which, last year, generated about 2% of Corby's gross operating revenue. Growth in exports will be led by Polar Ice in the United States.

We expect the Tia Maria Group (the "Group") to continue to grow core business around the world, and most particularly in the United Kingdom and Spain as the Group continues to invest heavily behind the brand in these markets. However, the equity contribution from the Tia Maria Group may be effected by currency movements against the Canadian dollar and, in particular, by the weakness in the Euro.

Operational cash flows are expected to remain strong as the Corporation continues to improve its cash collection efficiencies and proactively looks at ways of reducing its working capital requirements.

Overall, Corby's brands are well positioned to grow and out-perform at the consumer level. Corby, as an organization, is also well positioned to be a leader in an industry where rapid and comprehensive change remains a certainty.

management's and auditors' reports

Management's Responsibility for Consolidated Financial Statements

The accompanying consolidated financial statements of the Corporation were prepared by management in conformity with accounting principles generally accepted in Canada. The significant accounting policies, which management believes are appropriate for the Corporation, are described in the accompanying "Summary of Significant Accounting Policies." The financial information contained elsewhere in this Annual Report is consistent with that in the financial statements.

Management is responsible for the integrity and objectivity of the information contained in the financial statements and the "Management's Discussion and Analysis," including that which is based on estimates and judgements when transactions affecting the current accounting period are dependent upon future events. Management has established systems of internal control that are designed to provide reasonable assurance that assets are safeguarded from losses or unauthorized use and to produce reliable accounting records for the preparation of financial information.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Board has constituted an Audit Committee of Directors who are not members of management. The Committee meets periodically with management, the internal auditors and the external auditors to receive reports on internal accounting controls and audit results and to review accounting principles and practices. The Committee also reviews the financial statements and the external auditors' report thereon to the shareholders prior to submission to the Board of Directors for approval.

Management recognizes its responsibility for conducting the Corporation's affairs in compliance with established financial standards and applicable laws and maintains proper standards of conduct for its activities.

Auditors' Report to the Shareholders

We have audited the consolidated balance sheets of Corby Distilleries Limited as at August 31, 2000, and August 31, 1999, and the consolidated statements of earnings, retained earnings and cash flows for the years then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Corporation as at August 31, 2000, and August 31, 1999, and the results of its operations and its cash flows for the years then ended in accordance with generally accepted accounting principles.

KPMG LLP

KPMG LLP
Chartered Accountants, Toronto, Canada, October 25, 2000

consolidated statements of earnings

For the years ended August 31 (in thousands of dollars, except per share amounts)	2000	1999
Operating revenue		
Sales	$ 77,751	$ 84,752
Commissions	15,637	16,303
Gross operating revenue	93,388	101,055
Operating costs		
Cost of sales	31,497	35,269
Marketing, sales and administration	30,231	29,532
Amortization	1,122	926
Loss on disposal / writedown of properties held for resale (note 6)	206	2,341
Restructuring activities (note 3)	1,200	2,908
Total operating costs	64,256	70,976
Earnings from operations	29,132	30,079
Equity in net earnings of companies subject to significant influence	4,965	6,972
Interest expense, net	(2,238)	(1,942)
Earnings before income taxes	31,859	35,109
Income taxes (note 4)	11,437	12,353
Net earnings	$ 20,422	$ 22,756
Net earnings per share	$ 2.91	$ 3.25

consolidated statements of retained earnings

For the years ended August 31 (in thousands of dollars)	2000	1999
Retained earnings – beginning of year	$ 43,405	$ 34,641
Opening adjustment to retained earnings (note 4)	(1,160)	–
Net earnings	20,422	22,756
	62,667	57,397
Dividends declared and paid	14,038	13,992
Retained earnings – end of year	$ 48,629	$ 43,405

See accompanying notes to consolidated financial statements.

consolidated cash flow statements

For the years ended August 31 (in thousands of dollars)	2000	1999
Cash flows from (used in) operating activities		
Net earnings	$ 20,422	$ 22,756
Amortization	1,122	926
Future income taxes	960	(2,051)
Equity earnings in excess of dividends received	(2,697)	(5,153)
Employee future benefits	519	649
Loss on disposal / writedown of properties held for resale (note 6)	206	2,341
Changes in non-cash working capital (note 10)	3,549	(2,314)
Cash flows from operating activities	24,081	17,154
Cash flows from (used in) investment activities		
Additions to capital assets	(1,056)	(1,542)
Proceeds on disposal of capital assets, net	896	–
Cash flows used in investment activities	(160)	(1,542)
Cash flows from (used in) financing activities		
Dividends paid	(14,038)	(13,992)
Payment of long-term debt	(8,000)	(4,000)
Proceeds on issuance of capital stock	489	413
Cash flows used in financing activities	(21,549)	(17,579)
Net increase / (decrease) in cash equivalents*	2,372	(1,967)
Cash equivalents – beginning of year*	(2,414)	(447)
Cash equivalents – end of year*	$ (42)	$ (2,414)

* Cash equivalents consist of bank indebtedness.

supplemental cash flow information

For the years ended August 31 (in thousands of dollars)	2000	1999
Income taxes paid	$ 12,985	$ 14,656
Interest paid	$ 2,062	$ 2,306
Dividends received	$ 2,181	$ 1,885
Interest received	$ 167	$ 223

See accompanying notes to consolidated financial statements.

consolidated balance sheets

As at August 31 (in thousands of dollars)	2000	1999
ASSETS		
Current assets		
Accounts receivable	$ 20,413	$ 30,971
Inventories	45,286	44,262
Prepaid expenses	2,188	2,847
Future income taxes (note 4)	203	860
	68,090	78,940
Long-term investments	14,944	13,712
Capital assets (note 6)	6,113	7,039
Employee future benefits (note 7)	2,208	2,727
Goodwill, net of accumulated amortization (Accumulated amortization: 2000 – $1,956; 1999 – $1,714)	4,718	4,960
	$ 96,073	$ 107,378
LIABILITIES		
Current liabilities		
Bank indebtedness	$ 42	$ 2,414
Accounts payable and accrued liabilities	5,829	10,745
Income and other taxes payable	10	1,738
	5,881	14,897
Long-term debt (note 8)	31,000	39,000
Future income taxes (note 4)	1,877	414
	38,758	54,311
SHAREHOLDERS' EQUITY		
Share capital (note 5)	10,256	9,767
Retained earnings	48,629	43,405
Cumulative translation adjustments (note 9)	(1,570)	(105)
	57,315	53,067
	$ 96,073	$ 107,378

See accompanying notes to consolidated financial statements.

Signed on behalf of the Board

Garth M. Girvan
Director

John A. Giffen
Director

notes to consolidated financial statements

For the years ended August 31, 2000, and August 31, 1999

note 1. Summary of Significant Accounting Policies

Corby Distilleries Limited's (the "Corporation's") accounting policies conform with accounting principles generally accepted in Canada and are summarized below:

CONSOLIDATION

The consolidated financial statements include the accounts of all subsidiaries.

REVENUE RECOGNITION

Sales and commissions are recognized upon shipment to the customer.

FOREIGN CURRENCY TRANSLATION

The foreign companies in which the Corporation has long-term investments are of a self-sustaining nature. Unrealized gains or losses on translation are shown as a separate component in shareholders' equity. These are calculated by translating assets and liabilities at the exchange rates in effect at the balance sheet dates and by translating revenues and expenses at the average exchange rates for the periods.

The monetary assets and liabilities of the Corporation that are denominated in foreign currencies are translated at exchange rates in effect at the balance sheet dates. Revenues and expenses are translated at rates of exchange prevailing on the transaction dates. All exchange gains or losses are recognized currently in earnings.

INVENTORIES

Inventories are stated at average cost not exceeding net realizable value. They include barreled whiskies that will remain in storage over a period of years, but that are classified as current assets in accordance with the general practice of the distilling industry.

LONG-TERM INVESTMENTS

The Corporation's 45% equity in the Tia Maria Group of companies, over which it exercises significant influence, is accounted for using the equity method. Under this method, the original cost of the shares is adjusted for the Corporation's share of post-acquisition earnings or losses, less dividends.

CAPITAL ASSETS

Buildings and machinery and equipment are carried at cost, less accumulated amortization. Amortization is provided for on the straight-line basis over periods of 1 to 40 years depending on the nature of the asset. One-half rates are applied to assets in the year of acquisition.

GOODWILL

Goodwill, representing the excess of acquisition costs over amounts assigned to net identifiable assets of companies acquired, is amortized on the straight-line basis over periods of 25 to 40 years and written down when there has been a permanent impairment in value. The Corporation assesses at each balance sheet date whether there has been a permanent impairment in the value of goodwill. This is accomplished mainly by determining whether projected undiscounted future operating results exceed the net book value of goodwill as of the assessment date.

STOCK BASED COMPENSATION PLANS

The corporation has a stock based compensation plan, which is described in note 5. No compensation expense is recognized for these plans when stock or stock options are issued to employees. Any consideration paid by employees on exercise of stock options or purchase of stock is credited to share capital. If stock or stock options are repurchased from employees, the excess of the consideration paid over the carrying amount of the stock or stock option cancelled is charged to retained earnings.

EMPLOYEE FUTURE BENEFITS

The Corporation has adopted, effective September 1, 1999, on a prospective basis, the new standard issued by the Canadian Institute of Chartered Accountants ("CICA") with respect to accounting for employee benefit plans, which are described in note 7. Under the new standard, the Corporation accrues its obligations under employee benefit plans and the related costs, net of plan assets. The Corporation has adopted the following policies under the new standard:

(a) The cost of pensions and other retirement benefits earned by employees is actuarially determined using the projected benefit method prorated on service and management's best estimate of expected plan investment performance, salary escalation, retirement ages of employees and expected health care costs.

(b) For the purpose of calculating the expected return on plan assets, those assets are valued at fair values.

(c) Past service costs from plan amendments are amortized on a straight-line basis over the average remaining service period of employees active at the date of amendment.

Prior to the adoption of the new standards, pension costs related to current service were charged to earnings for the period during which the services were rendered. These costs reflected management's best estimate of the pension plans' expected investment yields, salary escalations, mortality of members and retirement ages. Adjustments arising from plan amendments, changes in assumptions and experience gains and losses were amortized on a straight-line basis over the expected remaining service life of the plan participants. The costs associated with other post-employment benefits were expensed as paid.

There is no impact on prior year results, as the new standard has been adopted prospectively.

INCOME TAXES

In December 1997, the Accounting Standards Board of CICA issued Section 3465 of the CICA Handbook, Income Taxes ("Section 3465"). Effective September 1, 1999, the Company adopted Section 3465 and has reported the cumulative effect of that change in the method of accounting for income taxes in the consolidated statement of retained earnings. Section 3465 requires a change from the deferred method of accounting for income taxes to the asset and liability method of accounting for income taxes.

Under the asset and liability method of Section 3465, future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using enacted or substantially enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under Section 3465, the effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The cumulative effective of this change in accounting for income taxes of ($1,160,000) is determined as of September 1, 1999, and is reported separately in the consolidated statement of retained earnings as a restatement of the opening balance of retained earnings for the year ended August 31, 2000. Prior years' financial statements have not been restated to apply the provisions of Section 3465 (note 4).

MEASUREMENT UNCERTAINTY

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

note 2. Related Party Transactions

Hiram Walker & Sons Limited, a wholly owned subsidiary of Allied Domecq PLC, owns in excess of 50% of the issued voting common shares of the Corporation. Information relative to transactions and balances with parent and affiliated companies includes the following:

Commercial Transactions (in thousands of dollars)

Nature of transactions	Nature of relationship	Financial statement category	Amount of the transactions 2000	1999
I The Corporation renders blending and bottling services	Parent company	Sales	$ 694	$ 912
II The Corporation sells certain of its products for resale at an export level	Common control companies	Sales	$ 133	$ 196
III The Corporation renders services, as the sole and exclusive representative, for purposes of marketing and sales of beverage alcohol products in Canada	Parent company, companies subject to significant influence, ultimate parent company and common control companies	Commissions	$ 9,893	$ 10,662
IV The Corporation subcontracts virtually all of its distilling, blending, bottling, storing and production administration activities	Parent company	Cost of sales	$ 13,134	$ 14,270
V The Corporation subcontracts an important portion of its bookkeeping, record keeping services, certain administrative services, related data processing, and maintenance of data processing activities	Parent company	Marketing, sales and administration	$ 1,777	$ 1,773
VI The Corporation renegotiated its agreements for transactions in sections III, IV and V for an additional one-year term	Parent company	Marketing, sales and administration	$ 1,238	$ –

These transactions, which are settled the following month, are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Transactions in sections III, IV, V and VI above are covered under the terms of agreements with related parties that expired on September 30, 2000. These agreements included a non-competition clause whereby the Corporation ceded its rights to selling beverage alcohol in bulk in favour of its parent company. These agreements have been renegotiated for an additional one-year term, commencing on October 1, 2000, and ending September 30, 2001, at an incremental cost of approximately $300,000 (resulting primarily from the elimination of the freight subsidy).

Financial Transactions (in thousands of dollars)

Nature of transactions	Nature of relationship	Financial statement category	Amount of the transactions 2000	Amount of the transactions 1999
The Corporation invested its surplus cash in the form of interest-bearing advances	Common control company	Interest	$ 167	$ 223

Interest on advances is determined based on the average 30-day bankers' acceptance interest rate.

Balances (in thousands of dollars)

As at August 31	2000	1999
Amounts included in accounts receivable		
Parent company	$ –	$ 1,899
Common control companies	400	1,741
	$ 400	$ 3,640
Amounts included in accounts payable and accrued liabilities		
Parent company	$ 110	$ –
Common control companies	1,925	1,277
	$ 2,035	$ 1,277

note 3. Restructuring Activities

In fiscal 1999, the Corporation incurred cash costs of $908,000 to complete the reorganization of its corporate and commercial activities and the relocation of its executive offices from Montréal to Toronto. The Corporation also announced a restructuring of its sales force in the key markets of Ontario, British Columbia and Québec and a further realignment of its corporate resources. The cost of the sales force restructuring was estimated to be $2,000,000, which was accrued as at August 31, 1999, and paid in full by August 31, 2000. As a result, the total charge to earnings for restructuring activities in fiscal 1999 was $2,908,000.

In fiscal 2000, the Corporation further realigned its sales force and executive team. As a result, the total charge to earnings for restructuring in fiscal 2000 was $1,200,000, which includes an accrual of $784,000 as at August 31, 2000.

note 4. Income Taxes

For the years ended August 31 (in thousands of dollars)	2000	1999
Current	$ 10,477	$ 14,404
Future	960	(2,051)
	$ 11,437	$ 12,353

The effective tax rates of 36% for the year ended August 31, 2000, and 35% for the year ended August 31, 1999, differ from the basic federal and provincial rates due to the following:

For the years ended August 31	2000	1999
Combined basic federal and provincial tax rates	43%	43%
Equity in net earnings of companies subject to significant influence	(7)%	(9)%
Other	–	1%
	36%	35%

The Corporation's future taxes consist of current future tax assets of $203 relating to post-retirement benefits and non-current future tax liabilities of $1,877, which consist of $1,102 relating to employee future benefits and $775 relating to fixed assets.

note 5. Share Capital

As at August 31 (in thousands of dollars, except number of shares)	2000	1999
Number of shares authorized:		
Voting Class A Common Shares – no par value	Unlimited	Unlimited
Non-Voting Class B Common Shares – no par value	Unlimited	Unlimited
Number of shares issued and fully paid:		
Voting Class A Common Shares	6,068,580	6,068,580
Non-Voting Class B Common Shares – beginning of year	937,031	920,456
Non-Voting Class B Common Shares – issued during the year	16,690	16,575
Non-Voting Class B Common Shares – end of year	953,721	937,031
	7,022,301	7,005,611
	$ 10,256	$ 9,767

In prior years, the Corporation established a Non-Voting Class B Common Share Option Plan and set aside 200,000 Non-Voting Class B Common Shares. Through the Share Option Plan options may be granted to officers and employees for the purchase of Non-Voting Class B Common Shares. Options are granted at prices equal to the closing market value on the last trading day prior to the grant and are exercisable from six to nine years from the date of vesting. Options vest from one to four years after the grant date. The issuance of all the reserved shares under the plan would not have a material dilutive effect on the Corporation's earnings per share.

A summary of the status of the Share Option Pan and changes during the year is presented below:

As at August 31	Options 2000	Weighted average exercise price 2000	Options 1999	Weighted average exercise price 1999
Outstanding, beginning of year	76,855	$ 37.27	81,795	$ 29.48
Granted	29,300	46.75	14,600	67.00
Exercised through the purchase option	(16,690)	29.33	(16,575)	24.95
Cancelled	(8,040)	47.61	(2,965)	37.54
Outstanding, end of year	81,425	$ 41.29	76,855	$ 37.27

As at August 31	Number outstanding 2000	Weighted average remaining contractual life	Weighted average exercise price	Number exercisable 2000	Weighted average exercise price
Range of exercise prices					
$16.89–$22.14	5,280	2.1	$ 19.63	5,280	$ 19.63
$25.89–$27.89	26,245	5.4	$ 27.46	23,020	$ 27.47
$46.39–$67.00	49,900	9.2	$ 51.85	7,475	$ 57.15

note 6. Capital Assets

As at August 31 (in thousands of dollars)	Cost	Accumulated amortization	Net book value 2000	Net book value 1999
Land	$ 638	$ –	$ 638	$ 638
Buildings	5,557	3,536	2,021	2,116
Machinery and equipment	9,665	6,211	3,454	3,372
	$ 15,860	$ 9,747	6,113	6,126
Assets held for resale at lower of carrying costs and net realizable value			–	913
			$ 6,113	$ 7,039

During the year ended August 31, 1999, the Corporation wrote down its assets held for resale by $2,341,000 to reflect an independent appraisal corresponding to a change in the Corporation's strategy regarding planned use of surplus properties.

In fiscal 2000, the Corporation sold its asset held for resale for a cash consideration before selling expenses of $950,000, which resulted in a loss on disposal of $206,000.

note 7. Employee Future Benefits

The Corporation has three defined benefit plans for executives and salaried employees. Benefits under these plans are based on years of service and compensation levels.

	Pension benefit plan, salaried and executive	Supplemental Executive Retirement Plan	Other benefit plan	Total future benefit plan
Benefit obligation				
Opening balance	$ 31,675	$ 3,301	$ 7,643	$ 42,619
Current service cost	656	119	148	923
Past service costs	387	–	–	387
Interest cost	2,097	223	505	2,825
Employee contributions	84	–	–	84
Benefits paid	(3,511)	(155)	(610)	(4,276)
Actuarial loss	–	476	–	476
Ending balance	31,388	3,964	7,686	43,038
Fair value of plan assets				
Opening balance	40,765	1,743	–	42,508
Actual return on plan assets	13,193	637	–	13,830
Employer contributions	–	155	–	155
Employee contributions	84	–	–	84
Benefits paid	(3,511)	(155)	–	(3,666)
Actual plan expenses	(599)	–	–	(599)
Ending balance	49,932	2,380	–	52,312
Funded status: surplus (deficit)	18,544	(1,584)	(7,686)	9,274
Unrecognized net transition obligation (asset)	(5,144)	268	7,207	2,331
Unamortized past service cost	373	–	–	373
Unamortized net actuarial gain	(9,671)	(99)	–	(9,770)
Accrued benefit asset (liability)	$ 4,102	$ (1,415)	$ (479)	$ 2,208
Other information				
Expense (income) recognized in current period	$ (497)	$ 245	$ 1,056	$ 804
Discount rate	6.75%	6.75%	6.75%	6.75%
Rate of compensation increase	4.50%	4.50%	4.50%	4.50%
Expected rate of return on plan assets	8.00%	8.00%	–	8.00%

The assumed average health care cost trend rate at August 31, 2000, was 6.5%, decreasing to 4.5% over the next seven years.

note 8. Long-Term Debt

As at August 31 (in thousands of dollars)	2000	1999
Bankers' acceptance, interest rate of 5.8% (August 1999 – 4.8%)	$ 31,000	$ 39,000

Bankers' acceptance are borrowings under a committed revolving bank credit facility that provides the Corporation the right to borrow up to $50 million at the bankers' acceptance floating rates repayable in full on March 20, 2005.

Interest expense on long-term debt for the year was $2,005,000 (1999 – $2,298,000).

note 9. Cumulative translation adjustments

For investments in self-sustaining operations, cumulative translation adjustments represent the unrealized gain or loss on the Corporation's net investment in foreign companies. These valuation adjustments are recognized in earnings only when there is a reduction in the Corporation's investment in the respective foreign companies.

As at August 31 (in thousands of dollars)	2000	1999
Balance – beginning of year	$ (105)	$ 835
Translation adjustment of long-term investments	(1,465)	(940)
Balance – end of year	$ (1,570)	$ (105)

note 10. Changes in Non-Cash Working Capital

For the years ended August 31 (in thousands of dollars)	2000	1999
(Increase) decrease in		
Accounts receivable	$ 10,558	$ (3,409)
Inventories	(1,024)	716
Prepaid expenses	659	(251)
Increase (decrease) in		
Accounts payable and accrued liabilities	(4,916)	(1,098)
Income and other taxes payable	(1,728)	1,728
Decrease (increase) in non-cash working capital	$ 3,549	$ (2,314)

note 11. Financial Instruments

CREDIT RISK

The Corporation's accounts receivable are substantially with Provincial liquor boards, which virtually eliminates credit risk.

FAIR VALUES

The financial instruments used by the Corporation are limited to short-term financial assets and liabilities and long-term debt. Short-term financial assets consist of accounts receivable. Short-term financial liabilities consist of bank indebtedness, accounts payable and accrued liabilities. The carrying amounts of these short-term assets and liabilities are a reasonable estimate of the fair values, given the short-term maturity of those instruments. Long-term debt consists of banker's acceptance, the carrying values of which approximate their fair values since they bear interest at a current interest rate.

note 12. Commitments

Future minimum payments under operating leases and contractual commitments for premises and equipment for the next five years and thereafter are as follows:

As at August 31 (in thousands of dollars)	2000	1999
2000	$ –	$ 1,018
2001	1,154	995
2002	1,099	849
2003	973	608
2004	765	474
2005	527	410
Thereafter	1,351	1,144
	$ 5,869	$ 5,498

note 13. Segmented Information

The Corporation's activities consist of the production of spirits, along with the distribution of spirits, imported wines and liqueurs. In fiscal 2000 commissions from the distribution of imported wines accounted for 5.0% of gross operating revenue (fiscal 1999 – 4.5%).

For the year ended August 31, 2000, and the year ended August 31, 1999, the Corporation's gross revenue and identifiable assets are all attributable to its domestic Canadian operations. Export sales account for less than 10% of gross operating revenue. The Corporation's equity in net earnings of companies subject to significant influence is derived principally from European based operations.

In fiscal 2000, sales to three major customers accounted for 28%, 14% and 12%, respectively, of gross operating revenue (fiscal 1999 – 30%, 12% and 11%).

ten-year review

	Year ended August 31					Six months ended August 31	Year ended February 28/29				
	2000	1999	1998	1997	1996	1995	1995*	1994*	1993	1992	1991
Results (in millions of dollars)											
Gross operating revenue	93.4	101.1	97.2	92.1	84.5	40.6	88.4	93.4	99.5	100.3	103.7
Earnings from operations	29.1	30.1	30.1	32.4	30.4	12.5	33.4	35.6	42.4	16.6	27.6
Earnings before extraordinary item excluding after-tax restructuring costs	21.2	25.7	30.5	29.2	26.7	12.4	28.4	32.4	34.7	28.0	21.1
Net earnings	20.4	22.8	27.8	28.5	26.7	12.4	28.6	30.0	34.7	15.5	21.1
Cash provided from operations	24.1	17.2	32.0	21.3	22.4	14.0	22.3	17.6	37.5	26.5	34.4
Year-end position (in millions of dollars)											
Working capital	62.2	64.0	62.8	92.1	90.4	79.8	62.8	49.2	146.9	121.8	114.1
Total assets	96.1	107.4	101.7	161.9	144.1	120.8	115.5	209.5	191.4	167.0	162.2
Long-term debt	31.0	39.0	43.0	–	–	–	–	–	–	–	–
Shareholders' equity	57.3	53.1	44.8	144.6	128.7	109.9	104.1	81.4	173.3	147.3	137.6
Per common share (in dollars)											
Net earnings before extraordinary item excluding after-tax restructuring costs	3.02	3.67	4.37	4.16	3.77	1.75	4.02	4.62	4.94	4.01	3.03
Net earnings	2.91	3.25	3.98	4.06	3.77	1.75	4.05	4.27	4.94	2.22	3.03
Cash provided from operations	3.43	2.45	4.59	3.03	3.17	1.98	3.16	2.50	5.33	3.78	4.93
Shareholders' equity	8.16	7.58	6.41	20.76	18.20	15.56	14.76	11.54	24.67	21.01	19.74
Special dividend paid	–	–	16.50	–	–	–	–	16.50	–	–	–
Dividends paid	2.00	2.00	1.70	1.28	1.24	0.62	1.15	1.12	1.07	0.88	0.76
Market value per common share (in dollars)											
High	84.00	88.00	76.50	58.00	46.00	38.00	40.00	58.13	54.00	56.00	37.00
Low	44.50	67.00	54.75	40.75	37.75	31.50	33.00	37.13	42.00	35.00	28.75
Close at end of year	49.80	70.00	73.00	55.00	43.00	37.75	33.75	37.13	48.25	51.00	36.25
Other statistics											
Working capital ratio	11.6	5.3	6.1	7.1	7.8	9.7	7.3	1.4	9.2	7.4	6.4
Pre-tax return on average capital employed	34.9	38.6	34.3	31.6	33.6	44.8	45.8	38.0	35.4	17.5	27.4
Earnings from operations as a % of gross revenue	31.2	29.8	31.0	35.2	36.0	30.7	37.8	38.1	42.6	16.5	26.6
Return on average shareholders' equity	37.0	46.5	29.3	20.9	22.3	30.3	30.8	23.6	21.6	10.9	16.3
Number of shareholders	855	891	933	985	1,068	1,136	1,174	1,192	1,308	1,369	1,513
Number of shares outstanding (in thousands)	7,020	7,006	6,989	6,966	7,071	7,060	7,058	7,057	7,024	7,009	6,968
Average number of employees	150	156	155	164	148	154	153	170	173	252	425
Segmented information (in millions of dollars)											
Gross operating revenue from Canadian operations	93.4	101.1	97.2	92.1	84.5	40.6	88.4	93.4	99.5	100.3	103.7
Pre-tax earnings from Canadian operations	29.1	30.1	30.0	34.2	33.3	15.0	35.4	44.3	51.7	23.8	33.6
Net earnings before extraordinary item											
Canadian operations	15.4	15.8	20.9	19.3	19.2	8.8	20.8	25.6	29.4	14.2	18.5
Foreign operations	5.0	7.0	6.9	9.2	7.5	3.6	7.8	4.4	5.3	1.3	2.6

* Restated

directors and officers

Directors

John Nicodemo
CFO, Vice President, Finance
& Commercial Services of
the Corporation

Pat Nielsen
Consultant, Lorne Park Holdings

John A. Giffen
Company Director
Windsor, Ontario
(Year Elected 1980)

Robert L. Llewellyn
Company Director
Toronto, Ontario
(Year Elected 1999)

Harold V. Gorman
Senior Vice President and
General Counsel
Allied Domecq Spirits & Wine, N.A.

Garth M. Girvan
Partner
McCarthy Tétrault
Barristers and Solicitors
Toronto, Ontario
(Year Elected 1998)

George F. McCarthy
Chairman of the Board
of the Corporation
(Year Elected 1993)

Krystyna T. Hoeg
President and
Chief Executive Officer
of the Corporation
(Year Elected 1996)

Mary Thomas
Senior Vice President
Human Resources, N.A.
Allied Domecq Spirits & Wine, N.A.

Officers

George F. McCarthy
Chairman of the Board

Krystyna T. Hoeg
President and
Chief Executive Officer

John Nicodemo
Chief Financial Officer,
Vice President, Finance
& Commercial Services

Brenda M. Brown
Vice President, Human Resources
& Corporate Secretary

Andrew Alexander
Vice President, Sales

Michael Minchin
Vice President, Marketing

Christopher Chan
Vice President, Strategic Planning

Howard Kirke
Vice President
International Markets

Board Committees

Executive Committee

George F. McCarthy
Chairperson

John A. Giffen
Garth M. Girvan
Krystyna T. Hoeg

Audit Committee

Garth M. Girvan
Chairperson

John A. Giffen
Harold V. Gorman

Independent Committee

Robert L. Llewellyn
Chairperson

John A. Giffen
Garth M. Girvan

Retirement Board Committee

Krystyna T. Hoeg
Chairperson

Robert L. Llewellyn
John Nicodemo
Brenda M. Brown

Management Resources Committee

Robert L. Llewellyn
Chairperson

John A. Giffen

Corporate Governance & Nominating Committee

Garth M. Girvan
Chairperson

John A. Giffen
Harold V. Gorman

General Information

Transfer Agent and Registrar
Montreal Trust Company of Canada

Auditors
KPMG LLP

Bankers
Toronto Dominion Bank & Bank of Montreal

Solicitors
McCarthy Tétrault

Annual & Special Meeting of Shareholders
Wednesday, January 24, 2001
at 11 o'clock in the forenoon
Arcadian Court
Hudson's Bay Company
(Simpson's Tower)
401 Bay Street
8th Floor
Toronto, Ontario

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M5B 1M8
Tel: 416.369.1859

Head Office
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Corbyville, Ontario
K0K 1V0

Distillery
950 chemin des Moulins
Montréal, Québec
H3C 3W5
Tel: 514.878.4611

Sales Offices

950 chemin des Moulins
Montréal, Québec
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Toronto (Ontario)
M5B 1M8
Tél. : 416.369.1859

Corby thanks all our people for making 2000 such a successful year

Albert Nardella · [illegible] · Andrea Bridge · [illegible] · Andre Lapointe · Andrew Paul · Anne-Marie Chene · [illegible] · April Brigg · [illegible] · [illegible] · [illegible] · Bill Duff

Bill Hamilton · Bill Stefaniuk · Bob Carriere · [illegible] · Bruce Kahan · Bruno Blais · Carol McKenzie · [illegible] · Cynthia Schauffert · [illegible] · Dale Blaire · Daniel Brisebois · [illegible]

Dave Barber · [illegible] · David Barrowse · David McKeon · [illegible] · Debrah Lennie · Derek Small · [illegible] · [illegible] · Eric Marcil · Farzanah Mohamed · Frankie Ma · [illegible]

Germain Poirier · [illegible] · Ian Buchanan · [illegible] · [illegible] · [illegible] · [illegible] · [illegible] · Steve Huitikka · [illegible] · [illegible] · J. McCarthy · Jacob Ripshtein

[illegible] · Jean-François Côté · Jeffrey Raine

Joe Bengiamin · John Grant · John Nicodemo

[illegible] · Krisztina Cseh · Kristen Devitt

Larry Will · [illegible] · S. Ylder

Marie-Laure Seneschal · [illegible] · Marlene Cloutier

corby

Gerry Bernard · Tess Michelis · [illegible]

Judy Basse · Kelley Burns Coady · [illegible]

L. Guerol · Larry Boismenu · Larry Crawford

Lucien Brouillette · [illegible] · Marc Castonguay

Matt Linden · [illegible] · Michel Fortin

Michelle Hutchinson-Harris · [illegible] · Mike McNulty · [illegible] · [illegible] · Sylvie Beaudin · Talaal Baroudi · Kim Borghese · Valerie Seguin · Winston Woodman · [illegible] · Minh Le Cong · Monica Ralphs

[illegible] · Robert Maillé · [illegible] · Robin McKellar · Rose Marie Scott · Ross Graham · [illegible] · Ryan Bibby · Scott Forrest · [illegible] · [illegible] · Serge Provost · Shila Wolff

[illegible] · [illegible] · [illegible] · [illegible] · [illegible] · [illegible] · [illegible] · [illegible] · [illegible] · [illegible] · [illegible] · [illegible] · [illegible]

[illegible] · [illegible] · [illegible] · Pierre Vitti · [illegible] · [illegible] · [illegible] · [illegible] · [illegible] · [illegible] · [illegible] · Mark Lentahurk · [illegible]

Monique St-Pierre · Nathalie Beaudin · [illegible] · Nicolas Fusiamare · [illegible] · Peter di Bella · Pierre Blouin · [illegible] · Rick Kazmarck · Regent Langon · Robert Girard

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